

## Filing at a Glance

Companies: The Employers' Fire Insurance Company, OneBeacon America Insurance Company

Product Name: @vantage - 2-1 Year Policies	SERFF Tr Num: BEAC-125238621	State: Arkansas
TOI: 35.0 Interline Filings	SERFF Status: Closed	State Tr Num: AR-PC-07-025686
Sub-TOI: 35.0002 Commercial Interline Filings	Co Tr Num: 2007-GK-AR-FO-473	State Status:
Filing Type: Form	Co Status:	Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
	Author: Sharon Kennedy	Disposition Date: 08-06-2007
	Date Submitted: 08-02-2007	Disposition Status: Approved
Effective Date Requested (New): 10-01-2007		Effective Date (New): 10-01-2007
Effective Date Requested (Renewal): 10-01-2007		Effective Date (Renewal): 10-01-2007

## General Information

Project Name: @vantage 2-1 Year Policies	Status of Filing in Domicile:
Project Number: 2007-GL-AR-FO-473	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 08-06-2007	
State Status Changed: 08-03-2007	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
Please see attached cover letter for complete description of filing.	

## Company and Contact

### Filing Contact Information

Sharon Kennedy, Compliance Analyst	skennedy@onebeacon.com
One Beacon Lane	(781) 332-8190 [Phone]
Canton, MA 02021-1030	(888) 209-7219[FAX]

### Filing Company Information

The Employers' Fire Insurance Company	CoCode: 20648	State of Domicile: Massachusetts
One Beacon Lane	Group Code: 1129	Company Type:
Canton, MA 02021-1030	Group Name:	State ID Number:
(781) 332-7000 ext. [Phone]	FEIN Number: 04-1288420	
	-----	
OneBeacon America Insurance Company	CoCode: 20621	State of Domicile: Massachusetts
One Beacon Lane	Group Code: 1129	Company Type:

Created by SERFF on 08-06-2007 10:05 AM

Canton, MA 02021-1030  
(781) 332-7000 ext. [Phone]

Group Name:  
FEIN Number: 04-2475442  
-----

State ID Number:

## Filing Fees

Fee Required?	Yes
Fee Amount:	\$300.00
Retaliatory?	No
Fee Explanation:	Filing Fee (Forms) = \$50 per line of business.
	Form filed for 6 Lines of Business = \$300.00 total filing fee.
Per Company:	No

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	08-06-2007	08-06-2007

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Filing Fee Charges	Note To Filer	Llyweyia Rawlins	08-06-2007	08-06-2007

## **Disposition**

Disposition Date: 08-06-2007

Effective Date (New): 10-01-2007

Effective Date (Renewal): 10-01-2007

Status: Approved

Comment:

Rate data does NOT apply to filing.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Explanatory Memorandum	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Form	Cancellation Charge Endorsement	Approved	Yes
Form	Automatic Policy Renewal Endorsement	Approved	Yes

**Note To Filer**

**Created By:**

Llyweyia Rawlins on 08-06-2007 10:02 AM

**Subject:**

Filing Fee Charges

**Comments:**

Hello Sharon

I have noticed on your transmittal document you have \$300 for total filing fee. This would be an overpayment of fees. Per submission includes all components of that filing and all insurers. Whether if 1 or more companies or more than one line of business. Your company only owe \$50 per submission for form filing.

If you have any questions or concerns feel free to contact me.

Llyweyia Rawlins

Certified Rate and Form Analyst

Property and Casualty Division

501-371-2809 Fax 501-371-2748

Email: [Llyweyia.rawlins@arkansas.gov](mailto:Llyweyia.rawlins@arkansas.gov)

## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Cancellation Charge Endorsement	VIL087 07 07-07 07		Endorseme New nt/Amendm ent/Condi ti ons		0.00	VIL087_Can cellation Charge End.pdf
Approved	Automatic Policy Renewal Endorsement	VIL220 07 07-07 07		Endorseme New nt/Amendm ent/Condi ti ons		0.00	VIL220_Two Year Policy Endorsemen t.pdf



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## CANCELLATION CHARGE ENDORSEMENT

This endorsement modifies the following:

COMMON POLICY CONDITIONS

The following is added to Paragraph **A. Cancellation**:

We agree that at the inception of the prior policy period, you chose an Automatic Policy Renewal Endorsement (VIL220) which provided for an automatic renewal of your policy for an additional twelve (12) months, subject to a cancellation charge should you decide to cancel your policy before the renewal expiration date. This twelve (12) month automatic renewal will expire on the expiration date shown in the Common Policy Declarations.

If you cancel at any time during the term of this policy pursuant to the policy cancellation provisions, we will impose a charge equal to fifteen (15) percent of the total renewal policy premium as shown in the Common Policy Declarations. If there is any return premium due you, this cancellation charge will be deducted from that return premium. This charge is in addition to any other applicable cancellation charge.

All other terms and conditions of the policy remain unchanged.

## AUTOMATIC POLICY RENEWAL ENDORSEMENT

This endorsement modifies the following:

### COMMON POLICY CONDITIONS

The following is added:

#### Automatic Policy Renewal

1. Provided all the policy terms and conditions have been met, at the end of the policy term this policy will automatically renew for an additional twelve month period with the same rates, rules and forms that existed at the inception date of this policy, except for the following changes:
  - a. Any municipal, state or federally imposed charges that may be added or changed for which we are required to charge. We will then charge you the current municipal, state or federal charge that is in effect on the effective date of your renewal ;
  - b. Any changes in exposure or increase in hazards insured against. This includes annual inflation-adjusted updates to exposure bases, values and/or limits, unless rejected by you. These changes will be rated using the rates and rules that were in effect on the effective date of your policy;
  - c. Age-related updates that result in a reduction in your rates pursuant to filed manual rules. We will use the credit factor in effect on the effective date of your policy when applying the reduction in your rates;
  - d. Endorsements made to this policy at your request or mandated by law or regulation;
  - e. A change in the underlying insurance or automobile exposure (if Umbrella Liability coverage is included in the policy). Any such charge will be rated at the rates and rules in effect on the effective date of your policy;
  - f. Any new or modified form or endorsement that applies to all insureds or to a group of insureds which includes you; and
  - g. The endorsement change described in section 3. below.

The renewal policy will also state the premium for the additional twelve month term.

2. If you cancel at any time during the term of this policy pursuant to the policy cancellation provisions, or if you decide to non-renew at the twelve month anniversary of the policy, we will impose a charge equal to fifteen (15) percent of the total initial policy year premium, as shown in the Common Policy Declarations. If there is any return premium due you, this cancellation charge will be deducted from that return premium. This charge is in addition to any other applicable cancellation charge.
3. At the renewal described in section 1. above, we will replace this endorsement (VIL220) with a Cancellation Charge Endorsement (VIL087) which will describe the charge to you if the renewed policy is cancelled during the renewal policy period. This charge will be equal to fifteen (15) percent of the total renewal policy year premium, as shown in the renewal policy Common Policy Declarations. If there is any return premium due you, this cancellation charge will be deducted from that return premium.

All other terms and conditions of the policy remain unchanged.

## **Rate Information**

Rate data does NOT apply to filing.

## Supporting Document Schedules

<b>Satisfied -Name:</b>	Uniform Transmittal Document- Property & Casualty	<b>Review Status:</b> Approved	08-06-2007
<b>Comments:</b>			
<b>Attachment:</b>	Property & Casualty Transmittal Document_Form.pdf		
<b>Satisfied -Name:</b>	Explanatory Memorandum	<b>Review Status:</b> Approved	08-06-2007
<b>Comments:</b>			
<b>Attachment:</b>	Explanatory Memorandum_Automatic Renewal_Forms.pdf		
<b>Satisfied -Name:</b>	Cover Letter	<b>Review Status:</b> Approved	08-06-2007
<b>Comments:</b>			
<b>Attachment:</b>	Cover Letter Form.pdf		



## Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	
17.	Reference Organization # & Title	
18.	Company's Date of Filing	08/02/07
19.	Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	2007-GL-AR-FO-473
-----	---	-------------------

21.	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
-----	--

We hereby submit for your review and approval new endorsements applicable to our @vantage program. The purpose of the filing is to introduce:

A. Our new Policy Term Option- Under this new option, the insured will extend the one year @vantage policy for an additional twelve month period, at the same rates, rules, and forms as existed at the inception date of the policy, subject to certain terms and conditions.

B. Our new Installment Premium Plan Option- Under this new option, the insured will be able to pay the @vantage policy premium in ten equal payments.

The following endorsements are herein being introduced as part of these new options:

- VIL 220 04 07 - Automatic Policy Renewal Endorsement - This endorsement will be attached to the policy at the inception of the policy.
- VIL 087- Cancellation Charge Endorsement - This endorsement will be attached to policy as the policy renews on the first anniversary.

An Explanatory Memorandum, relative to these new endorsements, and a copy of each of the endorsements, are enclosed for your review.

22.	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<p><b>Check #:</b>  <b>Amount: \$300.00</b>          Form Filings = \$50.00 per filing, per line of business. 1 filing x 6 lines of business = \$300.00 total filing fee.</p> <p><b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b></p>	

\*\*\*Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

**FORM FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	2007-GL-AR-FO-473			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	2007-GL-AR-RU-473			
<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01	Automatic Policy Renewal Endorsement	VIL 220 07 07	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Cancellation Charge Endorsement	VIL 087 07 07	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

**Explanatory Memorandum - Forms**  
**Commercial Multi-Line**  
**Automatic Two Year Guarantee Endorsements**

Retaining renewal business is important to an insurance company. Renewals often require less underwriting and are generally less expensive to handle than new business and usually carry better loss experience. Higher renewal retentions are critical to an insurance company's long term success. To encourage the retention of more renewal business, we are introducing two new optional endorsements.

These new endorsements are:

- VIL 220 04 07 – Automatic Policy Renewal Endorsement
- VIL 087 04 07 – Cancellation Charge Endorsement

The first endorsement, VIL 220, provides for an automatic renewal at the same rates, rules and forms that existed when the policy was issued with the following exceptions:

- New or increased federal or state surcharges and any charge controlled by a state or an agency of the state such as mine subsidence
- Changes in exposure or increase in hazards
- Age-related updates that result in a rate credit
- Endorsements added by request of the insured or are state mandated by law or regulation
- Change in a premium that is revised because it is based on an underlying premium that has been revised such as Umbrella
- A new or revised form that applies to all insureds or a class of insureds of which the insured is a member

By locking in the rates and rules for the automatic renewal period, commercial insureds will be able to better budget for insurance expenses in advance and will not have to be concerned about rising rates for that automatic renewal period. And to encourage more renewal retention, the insurance company is foregoing the possibility for insureds who choose this option, that rates will rise prior to the renewal term. (Though all of this could be accomplished by a multi-year policy, system impediments currently prevent us from issuing multi-year policies.)

To discourage insureds from canceling policies with this endorsement which would defeat the purpose of the endorsement, there is a built in cancellation surcharge of fifteen percent which applies against the initial policy premium.

As the policy renews on the first anniversary to again discourage insureds from canceling the policy, endorsement VIL 220 will be replaced by VIL 087 which imposes a fifteen percent surcharge if the policy is canceled during the automatic renewal period.

Enclosed are copies of the two new endorsements.





August 2, 2007

Honorable Julie Benafield Bowman, Commissioner  
Arkansas Insurance Department  
1200 West 3rd Street  
Little Rock, AR 72201-1904

**Re: Co. Filing # 2007-GL-AR-FO-473**

**@vantage Product**

Commercial Automobile Coverage  
Commercial General Liability Coverage  
Commercial Inland Marine Coverage  
Commercial Multiple Peril  
Commercial Professional Liability Coverage  
Commercial Property Coverage  
Commercial Umbrella Coverage

**New Endorsements**

<b><u>Company</u></b>	<b><u>NAIC #</u></b>	<b><u>FEIN #</u></b>
<b>OneBeacon America Insurance Company</b>	<b>1129- 20621</b>	<b>04-2475442</b>
<b>Employers' Fire Insurance Company</b>	<b>1129-20648</b>	<b>04-1288420</b>

Dear Commissioner,

On behalf of the captioned companies (the Companies), members of the OneBeacon Insurance Group, we hereby submit for your review and approval new endorsements applicable to the Companies @vantage program. The Companies propose this filing be approved for applicable new and renewal policies effective on or after October 1, 2007.

The purpose of the filing is to introduce:

A. New Policy Term Option- Under this new option, the insured will extend the one year @vantage policy for an additional twelve month period, at the same rates, rules, and forms as existed at the inception date of the policy, subject to certain terms and conditions.

B. New Installment Premium Plan Option- Under this new option, the insured will be

able to pay the @vantage policy premium in ten equal payments.

#### Endorsements

The following endorsements are herein being introduced as part of this new option:

- VIL 220 04 07 - Automatic Policy Renewal Endorsement  
This endorsement will be attached to the policy at the inception of the policy.
- VIL 087- Cancellation Charge Endorsement  
This endorsement will be attached to policy as the policy renews on the first anniversary.

An Explanatory Memorandum, relative to these new endorsements, and a copy of each of the endorsements, are enclosed for your review.

We trust you will find this submission acceptable and we look forward to your approval. Should you have any questions, please feel free to contact the undersigned.

Very truly yours,



Sharon B. Kennedy  
Regulatory Compliance Analyst  
OneBeacon Insurance

Phone (781) 332-8190  
Fax (888) 209-7219  
[skennedy@onebeacon.com](mailto:skennedy@onebeacon.com)